

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Department of Insurance and Financial Services

Enforcement Case No. 13-11792

Agency No. 13-036-L

Petitioner,

v

Martin R. Olgren, Jr.

System ID No. 0043862

Respondent.

_____ /

**Issued and entered
on MARCH 27, 2014
by **Randall S. Gregg**
Deputy Director**

FINAL DECISION

I. Background

Martin R. Olgren, Jr. (hereinafter Respondent) is a licensed resident insurance producer. He is also a licensed insurance solicitor. Both of his licensees are currently inactive. The Department of Financial and Insurance Services (DIFS) received a complaint alleging Respondent knowingly submitted an application containing false information. Respondent acknowledged that he submitted his client's policy application with incorrect information because he did not want his client to be without coverage. After investigation and verification of the information, on November 14, 2013, DIFS issued a Notice of Opportunity to Show Compliance alleging that Respondent had provided justification for revocation of licensure and other sanctions pursuant to Sections 1239(1)(h) and 1244(1)(a-d) of the Michigan Insurance Code (Code), MCL 500.1239(1)(h) and 500.1244(1)(a-d). Respondent failed to reply to the Notice.

On December 20, 2013, DIFS issued an Administrative Complaint and Order for Hearing which was served upon Respondent. The Order for Hearing required Respondent to take one of the following actions within 21 days: (1) agree to a resolution of the case, (2) file a response to the allegations with a statement that Respondent planned to attend the hearing, or (3) request an adjournment. Respondent failed to take any of these actions.

On March 13, 2014, DIFS staff filed a Motion for Final Decision. Respondent did not file a reply to the motion. Given Respondent's failure to respond, Petitioner's motion is granted. The Administrative Complaint, being unchallenged, is accepted as true. Based upon the Administrative Complaint, the Director makes the following Findings of Fact and Conclusions of Law.

II. Findings of Fact and Conclusions of Law

1. Pursuant to Executive Order 2013-1, all authority, powers, duties, functions, and responsibilities of the Commissioner of the Office of Financial and Insurance Regulation (Commissioner) have been transferred to DIFS (Director).
2. At all relevant times, Respondent was a licensed resident insurance producer with qualifications in Life, Accident and Health, Property, Casualty and Variable Annuities. Respondent's resident insurance producer license is currently inactive. Respondent is also an inactive licensed insurance solicitor with qualifications in Property and Casualty.
3. On or about March 11, 2011, DIFS received a complaint from _____; President of NuStar Insurance Agencies, Inc., and _____, Vice-President Marketing & Sales of NuStar Insurance Agencies, Inc. (Complainants), alleging Respondent knowingly submitted an application containing false information.
4. Respondent had received the account from another team member. The consumer was initially insured under her father's policy with Allied Insurance Company (Allied). However, on June 4, 2010, Allied refused to renew the policy because the father had been convicted of driving under the influence. Respondent initially tried to rewrite the policy in the consumer's name using her father's address. Allied rejected the policy because she lived in the same household as her father and the vehicle was titled in her father's name. Respondent then advised Complainants and Allied that the daughter was also listed on the title as owner and had lived on her own for over a year, but had neglected to change her address. Allied agreed to reconsider the denial pending receipt of documentation to substantiate Respondent's claims.
5. After several unsuccessful attempts to obtain the information, on or about July 14, 2010, Respondent was notified that Allied had rejected the application for an auto insurance policy because a copy of the title showing the consumer as the owner of the vehicle and residency documentation showing that she did not live at the same address as her father had not been submitted.
6. After receiving the notification that the policy had again been rejected by Allied, Respondent attempted to secure approval of the auto insurance application with Safeco Insurance Company of Illinois (Safeco).
7. Hoping that Safeco would write the policy without a lapse in coverage, Respondent prepared a false application with an August 20, 2010, effective date for insurance with

Safeco indicating the following information, which he knew to be false: that the consumer was currently insured through Allied and had not been declined insurance in the past five years. The policy was issued at a higher rate with the lapse in coverage.

8. On or about September 1, 2010, Respondent admitted in a written statement to Complainants that he submitted the policy application with incorrect information on it because he did not want the consumer to be without coverage any longer than she already had been.
9. As a licensee, Respondent knew or had reason to know that Section 1239(1)(h) of the Code, MCL 500.1239(1)(h), provides that:

(1) In addition to any other powers under this act, the commissioner may place on probation, suspend, or revoke an insurance producer's license or may levy a civil fine under section 1244 or any combination of actions, and the commissioner shall refuse to issue a license under section 1205 or 1206a, for any 1 or more of the following causes:

(h) Using fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere.

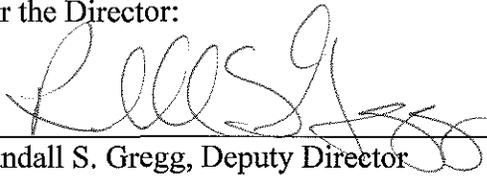
10. Respondent has provided justification for sanctions, pursuant to Section 1239(1)(h) of the Code, MCL 500.1239(1)(h), and Section 1244(1)(a-d), MCL 500.1244(1)(a-d), by submitting an application to Safeco with information he knew to be false.
11. Based upon the actions listed above, Respondent has committed acts that provide justification for the Director to order the payment of a civil fine, and/or other licensing sanctions, including revocation of licensure.
12. DIFS' staff has made reasonable efforts to serve Respondent and has complied with MCL 500.1238.
13. Respondent has received notice and has been given an opportunity to respond and appear and has not responded or appeared.
14. Respondent is in default and the Petitioner is entitled to have all allegations accepted as true.

III. Order

Based upon the Respondent's conduct and the applicable law cited above, it is ordered that:

1. Respondent shall cease and desist from violating the Code.
2. Respondent shall immediately cease and desist from engaging in the business of insurance.
3. Respondent's insurance producer and insurance solicitor licenses (System ID No. 0043862 for both) are **REVOKED**.

Annette E. Flood, Director
For the Director:



Randall S. Gregg, Deputy Director